

SEP 1 4 2007

Mi E Lee Boebel, Registered Agent Discount Newsletter Printing, Inc 759 Vestal Street Woodbridge, VA 22191

RE: MUR 5876

Dear Ms Boebel

In the normal course of carrying out its supervisory responsibilities, the Federal Election Commission considered the issue of whether Discount Newsletter Printing, Inc. violated 2 U S C § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended On September 7, 2007, the Commission determined to dismiss as a matter of prosecutorial discretion, Discount Newsletter Printing, Inc 's violation of 2 U S C. § 441b(a) See Heckler v Chaney, 470 U S 821 (1985) Accordingly, the Commission has closed the file in this matter. The Factual and Legal Analysis, which more fully explains the Commission's finding, is enclosed for your information.

The Commission reminds you that Bowman for Congress Campaign Committee's use of Discount Newsletter Printing, Inc 's non-profit mailing postal privilege to mail campaign communications appears to be a violation of 2 U S.C § 441b(a) You should take steps to ensure that this activity does not occur in the future

Documents related to the case will be placed on the public record within 30 days See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed Reg 70,426 (Dec 18, 2003).

If you have any questions, please contact Christine C. Gallagher, the attorney assigned to this matter, at (202) 694-1650

Sincerely,

Sidney Rocke

Assistant General Counsel

Enclosure
Factual and Legal Analysis

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

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4 RESPONDENT

Discount Newsletter Printing, Inc.

MUR: 5876

I. BACKGROUND

This matter was generated by a complaint filed with the Federal Election Commission by the Brevard County Republican Party See 2 U S.C. § 437g(a)(1). The complaint alleges that Bowman for Congress Campaign Committee ("the Committee") used the resources of the Institute for Space and Security Studies ("ISSS"), a tax-exempt 26 U.S.C. § 501(c)(3) organization, to support Dr Bowman's election to the U.S. House of Representatives in Florida's 15th Congressional District in violation of 2 U S.C. § 441b(a) and 11 C.F.R. § 114.2.

Specifically, the complaint alleges that ISSS distributed by mail, with use of its non-profit organization paid postal privilege, a newsletter entitled *National Security News* that was entirely devoted to expressly advocating Dr. Bowman's election to Federal office.

The Committee acknowledges that National Security News was a campaign communication, but denies that any of ISSS' resources were used in the production or mailing of the newsletter. See Bowman Affidavit at pp. 2 – 4. Rather, the Committee indicates that it used Discount Newsletter Printing, Inc.'s non-profit organization mailing permit to mail the June 2006 edition of National Security News, and once the Committee became aware that campaign material must be mailed using standard postal rates, it promptly reimbursed the U.S. Post Office the appropriate postage amount. See Bowman Affidavit at pp. 3 - 4, December 7, 2006.

Based on the facts presented in the complaint, the response, as well as other available information, the Commission has determined to exercise its prosecutorial discretion to dismiss

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- the matter as it pertains to the Discount Newsletter Printing Inc 's apparent violation of 2 U S.C.
- 2 § 441b(a) See Heckler v. Chaney, 470 U.S 821 (1985).

II. FACTUAL AND LEGAL ANALYSIS

A. The Committee's use of Discount Newsletter Printing Inc.'s non-profit mailing permit to mail campaign material violated 2 U.S.C. § 441b(a).

Since the 1980's, ISSS has published *Space & Security News*, a newsletter to subscribers on topics relating to space and high technology issues affecting national security. See Response at p. 2. ISSS does not have its own non-profit organization mailing permit, but rather has been using the services of Discount Newsletter Printing, Inc. for the past 20 years to mail its publication. See Bowman Affidavit at p. 2, December 7, 2006.

The publication at issue in the complaint, *National Security News*, was a campaign communication mailed in June and October 2006 to "potential supporters including the 12,000 subscribers and friends of [ISSS] and approximately 6,000 other contributors and political supporters." Response at p. 2. The first page of *National Security News* states that publication of *Space & Security News* was suspended from November 2005 through November 2006 due to Dr. Bowman's campaign for Congress. *See id.* at Exhibit 6.

The articles in the June 2006 issue of *National Security News* support Dr. Bowman's candidacy for Federal office, describe his views on issues and positions related to his campaign, and provide contact information for his campaign. *See* Response at Exhibit 6. The newsletter does not refer to any other candidates. *Id.* The first and last pages of the newsletter contain

¹ In the 1980s, Dr. Bowman founded ISSS and its publication *Space & Security News* ("SSN"). See Response at pp. 1-2, December 11, 2006 ISSS is an organization devoted to research and educational activities in the field of national security. See Bowman Affidavit at p. 1, December 7, 2006. A search of Dunn & Bradstreet's public records database indicates that ISSS has one employee (1 e, Dr. Bowman) and is operated out of Dr. Bowman's residence

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solicitations for contributions to Bowman for Congress Campaign Committee. Id. In addition, at

the top of the first page, the newsletter states that it is "paid for by Bowman for Congress," and at

the top of the last page the newsletter states, "National Security News is published by Bowman

4 for Congress." Id The sender of the newsletter is listed as "Bowman2006 Congressional

5 Campaign Committee," and a non-profit organization paid mailing permit appears to have been

6 used to mail the newsletter. Id.

While there is no information indicating that *National Security News* was targeted exclusively to potential voters in Dr. Bowman's congressional district, page seven of the newsletter states, ". .if you live in the district, you can host a house party, walk your precinct, make phone calls, or join Bob's volunteer staff." *See* Response at Exhibit 6. This suggests that the newsletter was mailed to at least some potential voters, and of course, all recipients would have been potential contributors

The Committee mailed *National Security News* with Discount Newsletter Printing, Inc.'s non-profit paid postal privilege. *See* Response at pp 2 - 3. According to the response, Lee Boeble, the proprietor of Discount Newsletter Printing, Inc. misinformed the Committee about proper use of the printer's non-profit paid postal privilege to mail campaign material. *See*Bowman Affidavit at p 3 The response states that at some point in time after June 2006, Dr Bowman sought legal advice as to the appropriate method to mail campaign material, and was advised by counsel that election campaign material had to be mailed using the usual first class mailing rate or bulk rates applicable to bulk mail.² *See id*

² In contrast to the June 2006 issue, the October 2006 issue of *National Security News* was sent by Discount Newsletter Printing, Inc. using the printing company's standard bulk rate indicia. See Bowman Affidavit at p. 3

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The Committee calculated the additional postage it should have paid for the mailing of the June 2006 edition of *National Security News*, as \$1,097 05, and submitted documentation with the response that it had reimbursed that sum to the Post Office on November 27, 2006.³

The Act prohibits corporate expenditures or contributions in connection with a Federal election. See 2 U.S.C § 441b(a). A contribution is defined as including any gift, subscription, loan, advance, or deposit of money, or anything of value made by any person for the purpose of influencing any Federal election. 11 C.F.R. § 100.52(a). The term "anything of value" includes all in-kind contributions; and unless specifically exempted, the provision of goods or services without charge or at a charge that is less than the usual and normal charge for such good or service 11 C.F.R. § 100.52(d)(1).

The Committee's use of Discount Newsletter Printing, Inc.'s non-profit mailing permit to mail campaign material at a discounted rate constituted a prohibited in-kind contribution from Discount Newsletter Printing, Inc. to the Committee in violation of 2 U.S.C. § 441b(a).

Given the small amount in violation, however, in the appropriate ordering of its priorities, the Commission has determined to exercise its prosecutorial discretion to dismiss the matter as it pertains to Discount Newsletter Printing, Inc 's apparent violation of 2 U.S.C. § 441b(a) and issue an admonishment.

³ Based upon the postage rates from Discount Newsletter Printing, Inc., it appears that the Committee reimbursed the Post Office the correct sum